

## ***Receiving Your Benefits By Direct Deposit***

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Beginning August 1, 1996, people who apply for Social Security or Supplemental Security Income (SSI) will have their monthly benefit payments deposited directly into their bank accounts.

With direct deposit your money is available the same day you would have received a check. The difference is your money is sent directly to your bank. Direct deposit is fast, efficient, cost effective and gives you the assurance of —

- no paper check to be lost or stolen,
- no waiting for the check to be delivered or cashed, and
- your knowledge that your money is in the bank every month.

Most people who get Social Security already use direct deposit. Under a new law that applies to all federal government payments, direct deposit is required for new Social Security and SSI beneficiaries who have bank accounts.

People who already get their Social Security and SSI benefits by check can continue to be paid by check for the present, unless they opt to change to direct deposit. Also, new beneficiaries who don't have a bank account will be paid by check.

Besides the advantages to you, direct deposit saves the taxpayers money, saving 40¢ each time someone uses direct deposit instead of a check. It costs 42¢ to process and mail each check, compared to 2¢ for direct deposit. If the Social Security and Supplemental Security Income beneficiaries who still receive checks changed to direct deposit, the savings to the government would be \$9.6 million a month.



**Social Security Administration**  
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